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CY 2010 OIB Rate Package Release

Field Update

June 2010



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Agenda



- OIB Overview
- General Methodology
- CMAC/CMAC Component Rates
- Associated Rate Tables (MEPRS Based Rates)
- Mapping Table Updates
- Questions



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OIB Overview

- TMA UBO develops rates for each outpatient encounter, service, procedure, or supply provided within a MTF
 - Rates are billed as a line-item charge
- TMA UBO CHAMPUS Maximum Allowable Charge (CMAC) rates are developed for reimbursement in the purchased care community
 - Not comprehensive (not all CPT/HCPCS codes are in the file)
 - May not represent the actual cost of the resources consumed
 - May not be applicable to care furnished in an MTF setting



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OIB Overview

- Itemized charges are based on the CMAC fee schedule and other government furnished rate tables.
 - The majority of outpatient encounters are based on CMAC rates.
- Medical Expense Program Reporting System (MEPRS) data is used to calculate the average MTF operation expenses for:
 - Ambulance, Ambulatory Procedure Visit, Anesthesia, Dental and Immunization-specific rates



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General OIB Rate Methodology

- Gather inputs for rate calculations
 - Data Pulls and Analysis
 - Calculate average costs for MEPRS-based rates
 - Apply to appropriate rate tables
 - TRICARE data downloads
 - Perform Rate Calculations (CMAC, Non-CMAC and CMP)
 - Develop rate mapping tables
 - Deliverables for Review and Testing
 - Internal QA & Testing
 - Forward to TMA UBO, TPOCS and CHCS
 - TMA UBO approval and Policy Letter development
 - Publication and Distribution



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OIB Components



- CMAC & CMAC Component Rate Tables
- Dental Rates
- DME/DMS Rates
- Immunization/Injectables
- Other (APV, ED, Ambulance, Anesthesia, Rx Dispensing Fee)
- Mapping Tables (DMIS ID, Revenue, TPOCS, Modifier)



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CMAC Rates - Overview

- OIB Primary Rate Table – CMAC and CMAC Component
 - 91 CMAC localities
 - CMAC locality '300' – TMA UBO specific and used for the national average of CONUS facilities
 - CMAC locality '391' – TMA UBO specific and used for OCONUS facilities
- Codes set to \$0.00 (not available for separate reimbursement)
 - Includes telephone consults/assessments
- **2.9%** overall average percent increase from CY2009 to CY2010



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CMAC



Emergency Department Rates

Emergency Department (ED) Evaluation &

Management Codes (99281-99285) have CMAC rates that are billed using only the institutional charge

- Mapped the five ED codes to appropriate TRICARE APC
- Mapped to the UB 04 billing form
- Due to system limitations and electronic billing requirements (e.g., 837i and 837p), the professional portion of an ED encounter is not billed
 - CHCS can not accommodate multiple rates for the same CPT/HCPCS code



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CMAC ED Rates - National Average



CPT Code	APC	2009 Avg Rate	2010 Avg Rate	% Difference
99281	609	52.66	53.16	0.95%
99282	613	86.14	87.85	1.99%
99283	614	136.70	140.18	2.55%
99284	615	217.91	223.17	2.41%
99285	616	323.90	329.73	1.80%



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CMAC Component



- Added technical charges for 94 codes that were not included in CMAC.
 - Professional component charges not provided by CMAC
 - Mapped each CPT to appropriate APC
 - Assigned TC rates based on OPPS APC rates
 - Computed global rates by combining TC and PC rates



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OIB MEPRS-Based Rates

- Ambulatory Procedure Visit (APV)
- Ambulance
- Anesthesia
- Dental
- Immunization-specific
- IOR/IMET (Government Discount %)



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Computation and Burdening Factors



percentage -
presidential
budget

ing CY 2010 OIB Rates

	2009	2010
FY 2010 Military Pay Raise	Retirement, health benefits and life insurance	%
FY 2010 Civilian Pay Raise		%
Government Share Unfunded	9.9%	9.9%
Military medical personnel salary expenses	Recoup depreciation & interest costs	4.4%
DMDC Factor	\$14	\$10
DHP Budget Growth	15.07%	12.06%

Percentage
growth in
budget



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MEPRS-Based Rates



Ambulatory Procedure Visits (APVs) are assigned to CPT code 99199

- Flat institutional fee based on the institutional costs of all APVs performed in a designated Ambulatory Procedure Unit (APU) divided by the total number of APVs
- **2010 APV Flat Rate is \$1,909.96**

Ambulance charges are based on units of service, in 15 minute increments

Cost to Be Recovered = MEPRS Full Rate x Time

Anesthesia

- TPOCS flat billing rate



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MEPRS-Based Rates



'09 rate '10 rate % change

Ambulance

FOR: \$236. \$227. (3.81)

- Computation and Burdening factors account for some of the decrease
- Not providing the same level/amount of services
- Note: Ambulance is billed using A0999 (unlisted code)

Anesthesia

FOR: \$1,162.0 \$1,257. 7.56

- Higher cost to administer Anesthesia
- Number of times an individual can receive Anesthesia
- Note: Anesthesia codes 01953, 01968, & 01969 are set to \$ 0.00



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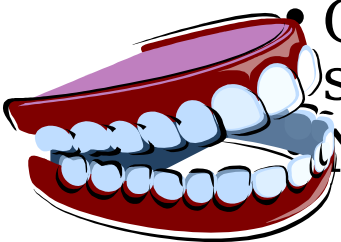
MEPRS-Based Rates



Dental charges are based on a MEPRS- based flat rate multiplied by a DoD-established weight for the American Dental Association (ADA) code representing the dental service/procedure performed

$$\text{Charge} = \text{Weight} * \text{Rate} \\ (\text{IMET/IOR/FOR})$$

	'09 rate	'10 rate	% change
Dental rate	\$102.00	\$87.00	(14.71)%
FOR:			
Computation and Burdening factors account for some of the decrease			
Not providing the same level/amount of services ¹⁵			





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MEPRS-Based Rates



IMET/IOR rate - Government adjusted discounts for interagency cost of supplies (IOR) and direct labor for the training programs (IMET)

IMET/IOR rate

- 64/94% respectively (of the TPC or Full rate)
- No significant changes from CY 2009 to CY 2010



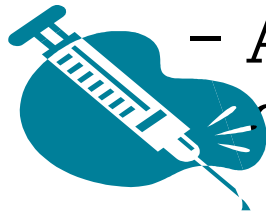
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MEPRS-Based Rates



Immunization --- separate charges are made for each immunization, injection or medication administered

- A flat rate developed using MEPRS cost data





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MEPRS-Based Rates



	'09 rate	'10 rate	% change
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Immunization (exceptions)

FOR:	\$54.0	\$48.0	(11.11)
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- Computation and Burdening factors account for some of the decrease
- Not providing the same level/amount of services
 - Number of procedures being performed per source
 - Navy – no report – no record captured in corresponding MEPRS account



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DME/DMS Rates

DME/DMS - Durable Medical

Equipment/Supplies - allocating expenses for equipment and supplies on hand

- Used Nov 2009 DMEPOS Fee Schedule file
 - CMS DME 'floor rate'
 - No major price variances from 2009 to 2010
- Removed secondary modifiers to adhere to CHCS and TPOCS file specifications
- Identified codes that were not in the existing rate table or set to zero
 - Set rates using Purchase Care Data



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Pharmacy Dispensing Fee

- UBO approved methodology used to calculate Pharmacy Dispensing Fee
 - Dispensing fee is apart of the overall charge

**Charge = Dispensing Fee +
Ingredient Cost**

2010 Pharmacy
Dispensing Fee=
\$2.00*

*New methodology for CY 2010



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Mapping Table Updates

- DMIS ID Mapping Table
- Modifier Mapping Table
- CPT Revenue Mapping Table
- TPOCS Mapping Table



DMIS ID Mapping Table

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DMIS ID - Defense Medical Information System

Identifier Table is used to control medical and military facility identification and cost/workload classification.

- Four Changes to DMIS ID table that affect UBO billing
 - (see next slide)
- Mapped all OCONUS sites to “391”
- Mapped all 5400 sites to locality “000”
 - Civilian institutions which bills a facility fee
 - MHS does not have capability to bill separate outpatient professional fees.



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DMIS ID Mapping Table

- Change(s) to DMIS ID table that affect UBO billing
 - 1486 - BJACH TBI Clinic - Ft. Polk
 - 1487 - BJACH TBI Clinic - Ft. Riley
 - 2003 - Leavenworth VA Medical Center
 - 6102 - Premier Army Clinic - Ft. Carson



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Modifier Mapping Table

Modifier Mapping Table identifies the CPT/HCPCS procedure, supply, drug code, and description with appropriate modifiers.

- Includes mapping to appropriate OIB table
- Determines which modifiers are appended to which code ranges
- Updated code series and verified mapping
- Modifiers
 - Added/Updates applicable modifiers
 - Deleted obsolete modifiers
- Compared TPOCS and Modifier Mapping Tables for accuracy



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CPT Revenue Mapping Table



Revenue Mapping Table identifies the CPT/HCPCS procedure, supply, drug code, description and available revenue centers.

- Used source CY 2010 file from UBU for CPT and HCPCS code update
- Added/deleted/revised and provided proper revenue code designation for all active codes
- Used 510 (clinic) revenue code as default
 - In the case where no revenue centers were indicated



TPOCS Mapping Table

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TPOCS Mapping Table identifies the CPT/HCPCS procedure, supply, drug code, and description with appropriate modifiers.

- Includes additional information as needed to process a claim
- Specifically designed for the TPOCS billing environment
- Updated code series
 - Added / Deleted codes
 - Modifying existing code ranges
- Verified all mapping to appropriate tables
- Modifiers
 - Added/Updated applicable modifiers
 - Deleted inactive and obsolete modifiers



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ELECTIVE COSMETIC PROCEDUR ES





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Cosmetic Procedure Rates

- Please visit the TMA UBO website for more information on Elective Cosmetic Procedures Performed in the Military Health System:
http://www.tricare.mil/ocfo/mcfs/ubo/mhs_rates/cs.cfm
- A Webinar training featuring the 2010 Elective Cosmetic Procedure Rates and changes to the Cosmetic Surgery Estimator (CSE) is available for viewing from the TMA UBO website:
http://www.tricare.mil/ocfo/mcfs/ubo/learning_center/training.cfm



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Effective Date

CY 2010 OIB Rate Package in
conjunction with Cosmetic
Procedure Rates are scheduled to
be effective **1 July 2010.**



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Contact Information

Please contact the UBO Helpdesk if you have any questions or concerns at (703) 575-5385 or UBO.helpdesk@altarum.org.